Sara I. Benitez Biblioteca Abelardo Diaz Alfaro Po Box 70179 San Juan, PR 00936-8179



Billed Entity Number:

16052522

Form 471 Application Number: Form 486 Application Number:

989482



Universal Service Administrative Company

Schools & Libraries Division

Administrator's Decision on Appeal - Funding Year 2014-2015

April 09, 2015

Sara I. Benitez Biblioteca Abelardo Diaz Alfaro Po Box 70179 San Juan, PR 00936-8179

Re: Applicant Name:

BIBLIOTECA ABELARDO DIAZ

ALFARO

Billed Entity Number:

16052522

Form 471 Application Number:

989482

Funding Request Number(s):

2699874, 2699916, 2699986, 2700194, 2700262, 2700302, 2700361, 2700381, 2700460, 2700510, 2700529, 2700554, 2700594, 2700632, 2700651, 2700716, 2700737, 2700808, 2700832, 2700890,

2700909, 2701010

Your Correspondence Dated:

January 09, 2015

After thorough review and investigation of all relevant facts, the Schools and Libraries Division (SLD) of the Universal Service Administrative Company (USAC) has made its decision in regard to your appeal of USAC's Funding Year 2014 Funding Commitment Decision Letter for the Application Number indicated above. This letter explains the basis of USAC's decision. The date of this letter begins the 60 day time period for appealing this decision. If your Letter of Appeal included more than one Application Number, please note that you will receive a separate letter for each application.

<u>Funding Request Number(s)</u>: 2699874, 2699916, 2699986, 2700194, 2700262,

2700302, 2700361, 2700381, 2700460, 2700510, 2700529, 2700554, 2700594, 2700632, 2700651, 2700716, 2700737, 2700808, 2700832, 2700890,

2700909, 2701010

Decision on Appeal:

Approved, Funding Denied

Explanation:

• This FRN is denied because the FCC Form 470 does not comply with the statutory mandate that applicants submit bona fide requests for services. Per the FCC's Ysleta Order, an applicant's FCC Form 470 must be based upon its carefully thought-out technology plan and must detail specific services sought in a

manner that would allow bidders to understand the specific technologies that the applicant is seeking. Thus, a Form 470 that sets out virtually all elements that are on the eligible services list would not allow a bidder to determine what specific services the applicant was seeking. A Form 470 should not be a general, openended solicitation for all services available on the eligible services list, with the hope that bidders will present more concrete proposals. We find that the Form 470 that established the bidding for this FRN is encyclopedic and does not list only those services for which funding was actually sought. Since the Form 470 is encyclopedic potential bidders would not be able to compose a responsive bid without seeking additional information. During review you indicated, "some vendors had questions regarding the specifications for the bids for FCC Form 470." This statement quantifies that potential bidders required additional information in order to compose a responsive bid. During review you provided documentation showing that information was provided to service providers via an email sent on March 18, 2014. That email provided specifications not included in your FCC Form 470, including bandwidth requirements at various locations. The additional specifications provided in the email serves to re-start the bidding process and bidders should have been given 28 days from the date of that email to provide a bid responsive to the specifications as stated in the email.

FCC rules require applicants to submit a complete description of the services they seek so that it may be posted for competing service providers to evaluate and this application must describe the services that the schools and libraries seek to purchase in sufficient detail to enable potential providers to formulate bids. See Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Report and Order, 12 FCC Rcd 8776, 9076, and 9078-79, FCC 97-157 para. 575 (rel. May 8, 1997). Additionally, FCC rules require that, except under limited circumstances, an eligible school, library or consortium that includes an eligible school or library shall seek competitive bids for all services eligible for support and must conduct a fair and open competitive bidding process. See 47 C.F.R. sec. 54.503(a) and (b). When an applicant includes a manufacturer's name or brand for its description of requested services on the FCC Form 470, there is a risk of compromising the competitive bidding process for services requested. has clarified that, for FCC Form 470s or RFPs posted for Funding Year 2013 or thereafter, applicants must not include the manufacturer's name or brand on their FCC Form 470 or in their RFPs unless they also use the words "or equivalent" to describe the requested product or service. Such a description ("or equivalent") will prevent the FCC Form 470 or RFPs from being construed as requiring only a specific product or service provider, which could undermine the competitive bidding process by eliminating the opportunity for the applicant to purchase an equivalent or better product that may be less expensive or to choose a less expensive service provider. See Request for Review of a Decision of the Universal Service Administrator by Queen of Peace High School, Burbank, Illinois, Schools and Libraries Universal Service Support Mechanism, File No. SLD-667006, CC Docket No. 02-6, Order, DA 11-1991 (rel. December 7, 2011).

Since your appeal has been approved, but funding has been denied, you may appeal the decision to USAC. Your appeal must be postmarked within 60 days of the date on this letter. Failure to meet this requirement will result in automatic dismissal of your appeal.

Further information and options for filing an appeal with USAC can be found under the Reference Area/"Appeals" of the SLD section of the USAC website or by contacting the Client Service Bureau. We strongly recommend that you use the electronic filing options.

We thank you for your continued support, patience and cooperation during the appeal process.

Schools and Libraries Division Universal Service Administrative Company